

WEATHER FORECAST.
Increasing cloudiness to-day, followed
by rain to-night and to-morrow.
Highest temperature yesterday, 50; lowest, 35.
Detailed weather reports on last page.

The



Sun.

IT SHINES FOR ALL

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PRICE TWO CENTS.

MADDOO'S PLAN FOR RAILROADS CAUSES STORM

Proposed Five Years Extension of Government Control Opposed in Senate.

DUPLICITY IS CHARGED

President Gave No Hint of Measure for Which Director Claims Approval.

EXTRA SESSION IS ASKED

Party Lines Broken but Leaders of Both Sides Fight Suggestion.

WASHINGTON, Dec. 12.—Director-General McAdoo's proposal to extend for a five year period the system of Federal control of the transportation facilities of the nation, adopted as a war emergency measure, was accorded a warm although by no means cordial reception in Congress to-day. It produced an instant and apparently unfavorable reaction, particularly in view of the President's own utterances on the subject, made ten days ago in his annual address to Congress.

Almost universally the legislators criticized the President for coming to Congress saying that he left the matter to Congress to consider with three possible solutions of the problem open to them, at the same time expressing indirectly a preference for "an intermediate course of modified private control under a more unified and affirmative public regulation," while to-day Congress is confronted with the Director-General's plea for an extension of the present "emergency system."

The result of Mr. McAdoo's request for action was a call from Chairman Smith (S. C.) of the Senate Committee on Interstate Commerce for a committee meeting next Thursday. Meanwhile members of that organization will bend every energy toward preparing themselves for a serious consideration of the McAdoo suggestion, although starting with a strongly adverse disposition toward the McAdoo program.

Senate Committee to Meet.

The result of Mr. McAdoo's request for action was a call from Chairman Smith (S. C.) of the Senate Committee on Interstate Commerce for a committee meeting next Thursday. Meanwhile members of that organization will bend every energy toward preparing themselves for a serious consideration of the McAdoo suggestion, although starting with a strongly adverse disposition toward the McAdoo program.

The disposition in the Senate is frankly against Government ownership. There is also a considerable majority in both houses which believes that legislation looking to increase Governmental control over transportation is necessary. There is a small minority anxious to see the railways returned to private ownership and the reinitiation of the pre-war competitive system.

No Party Alignment.

The alignment does not follow party lines. The only of any strong advocates of Government ownership are Republicans. The most earnest advocates of a return to private ownership are all Democrats. Holding the middle ground and following the lead of the President's three alternative suggestions are the majority of both political parties, hence the opposition to both the suggested hasty legislation extending the war time control through five years of probable peace and to the relinquishment of control to the present Railroad Administration for finished legislation to be drawn.

The furnished the theme for the first speech on the subject, which came from Senator Kellogg (Minn.). Republican member of the Interstate Commerce Committee, who held the Senate floor, then an hour to-day in an answer to Mr. McAdoo's plan.

Senator Kellogg opened by reading from the President's address to Congress, in which Mr. Wilson confessed that he was not prepared to answer in reply to solving the railroad problem. He admitted his perplexity at the President's statement, saying: "A few days later came a deliberate, well considered plan, which Mr. McAdoo says is made with the approval of the President, not to keep the roads for twenty months after the close of the war, but for five years, to make a test. The President, on the contrary, in his message frankly said he had no intention of his own on the subject."

Kellogg Offers Plan.

He did not discuss what Congress ought to do, but it seems to me that it ought to do at least this: Congress through its Committee on Interstate Commerce ought to take action at once upon a railroad bill. We ought to support the railroad equipment, terminals, freight where it can be made cheapest, and the same with passenger so as to make most effective the entire transportation of the United States. But this should be under a strong Government control. We ought to regulate the nature of the facilities of railroads under Government control, and we ought to authorize the commission not only to regulate the service of the railroads but to regulate the condition but give the

CORPORATION TAXES ON INCOMES HIGHEST FOR 1918 IN NEW BILL

Measure as Revised by Senate Committee Reduces Rates in Following Years—Changes Made Also on Amounts Married and Single Men Must Pay.

WASHINGTON, Dec. 12.—Under the provisions of the revenue bill as they have been revised by the Senate Finance Committee corporations will pay a higher tax on 1918 incomes than on incomes for succeeding years. If the bill is passed by the Senate in its present form, and the House agrees to the changes made in the corporation income and war excess profits taxes, corporations will pay taxes on their 1918 business as shown in the subjoined table.

For example, the case is taken of a corporation capitalized at \$1,000,000, whose average pre-war net profits amounted to \$100,000, and whose net profits for its present business year amount to \$500,000.

Normal tax on net income in excess of \$2,000 and after deducting war excess profits tax (12 per cent. on \$100,000)	War excess profits tax (12 per cent. on \$400,000)	Total tax
\$12,000	\$48,000	\$60,000
Twenty per cent. of the amount of net income in excess of the sum of \$2,000 plus a per cent. of invested capital and not in excess of 20 per cent. of the invested capital (50 per cent. on \$17,000)	None	\$10,000
Sixty per cent. of the amount of net income in excess of 20 per cent. of the invested capital (60 per cent. on \$330,000)	None	\$198,000
The sum by which 80 per cent. of the net income in excess of the war excess profits credit (average pre-war profits plus \$2,000) exceeds the 20 per cent. and 60 per cent. taxes shown directly above	None	102,500
Total tax		\$358,500

The same corporation, making the same profit on its transactions for the following business year, would pay the amount of taxes shown in the following table:

Normal tax on net income in excess of \$2,000 and after deducting war excess profits tax (5 per cent. on \$250,000)	War excess profits tax (12 per cent. on the amount of net income in excess of the sum of \$2,000 plus a per cent. of invested capital and not in excess of 20 per cent. of the invested capital (40 per cent. on \$17,000)	Total tax
\$12,500	\$48,000	\$60,500
Twenty per cent. of the amount of net income in excess of the sum of \$2,000 plus a per cent. of invested capital and not in excess of 20 per cent. of the invested capital (50 per cent. on \$17,000)	None	\$10,000
Sixty per cent. of the amount of net income in excess of 20 per cent. of the invested capital (60 per cent. on \$330,000)	None	\$198,000
The sum by which 80 per cent. of the net income in excess of the war excess profits credit (average pre-war profits plus \$2,000) exceeds the 20 per cent. and 60 per cent. taxes shown directly above	None	102,500
Total tax		\$370,500

The taxes paid by men in the same situation, under the Senate bill, would be as shown in the subjoined table on incomes for the calendar year 1919:

Income	Normal tax on taxable income below \$4,000	Normal tax on taxable income above \$4,000	Surplus	Total tax
\$3,000	4.5% on \$3,000	None	None	\$135
\$4,000	4.5% on \$3,000	None	None	\$135
\$5,000	4.5% on \$3,000	None	None	\$135
\$6,000	4.5% on \$3,000	None	None	\$135
\$7,000	4.5% on \$3,000	None	None	\$135
\$8,000	4.5% on \$3,000	None	None	\$135
\$9,000	4.5% on \$3,000	None	None	\$135
\$10,000	4.5% on \$3,000	None	None	\$135
\$11,000	4.5% on \$3,000	None	None	\$135
\$12,000	4.5% on \$3,000	None	None	\$135
\$13,000	4.5% on \$3,000	None	None	\$135
\$14,000	4.5% on \$3,000	None	None	\$135
\$15,000	4.5% on \$3,000	None	None	\$135
\$16,000	4.5% on \$3,000	None	None	\$135
\$17,000	4.5% on \$3,000	None	None	\$135
\$18,000	4.5% on \$3,000	None	None	\$135
\$19,000	4.5% on \$3,000	None	None	\$135
\$20,000	4.5% on \$3,000	None	None	\$135
\$21,000	4.5% on \$3,000	None	None	\$135
\$22,000	4.5% on \$3,000	None	None	\$135
\$23,000	4.5% on \$3,000	None	None	\$135
\$24,000	4.5% on \$3,000	None	None	\$135
\$25,000	4.5% on \$3,000	None	None	\$135
\$26,000	4.5% on \$3,000	None	None	\$135
\$27,000	4.5% on \$3,000	None	None	\$135
\$28,000	4.5% on \$3,000	None	None	\$135
\$29,000	4.5% on \$3,000	None	None	\$135
\$30,000	4.5% on \$3,000	None	None	\$135
\$31,000	4.5% on \$3,000	None	None	\$135
\$32,000	4.5% on \$3,000	None	None	\$135
\$33,000	4.5% on \$3,000	None	None	\$135
\$34,000	4.5% on \$3,000	None	None	\$135
\$35,000	4.5% on \$3,000	None	None	\$135
\$36,000	4.5% on \$3,000	None	None	\$135
\$37,000	4.5% on \$3,000	None	None	\$135
\$38,000	4.5% on \$3,000	None	None	\$135
\$39,000	4.5% on \$3,000	None	None	\$135
\$40,000	4.5% on \$3,000	None	None	\$135
\$41,000	4.5% on \$3,000	None	None	\$135
\$42,000	4.5% on \$3,000	None	None	\$135
\$43,000	4.5% on \$3,000	None	None	\$135
\$44,000	4.5% on \$3,000	None	None	\$135
\$45,000	4.5% on \$3,000	None	None	\$135
\$46,000	4.5% on \$3,000	None	None	\$135
\$47,000	4.5% on \$3,000	None	None	\$135
\$48,000	4.5% on \$3,000	None	None	\$135
\$49,000	4.5% on \$3,000	None	None	\$135
\$50,000	4.5% on \$3,000	None	None	\$135
\$51,000	4.5% on \$3,000	None	None	\$135
\$52,000	4.5% on \$3,000	None	None	\$135
\$53,000	4.5% on \$3,000	None	None	\$135
\$54,000	4.5% on \$3,000	None	None	\$135
\$55,000	4.5% on \$3,000	None	None	\$135
\$56,000	4.5% on \$3,000	None	None	\$135
\$57,000	4.5% on \$3,000	None	None	\$135
\$58,000	4.5% on \$3,000	None	None	\$135
\$59,000	4.5% on \$3,000	None	None	\$135
\$60,000	4.5% on \$3,000	None	None	\$135
\$61,000	4.5% on \$3,000	None	None	\$135
\$62,000	4.5% on \$3,000	None	None	\$135
\$63,000	4.5% on \$3,000	None	None	\$135
\$64,000	4.5% on \$3,000	None	None	\$135
\$65,000	4.5% on \$3,000	None	None	\$135
\$66,000	4.5% on \$3,000	None	None	\$135
\$67,000	4.5% on \$3,000	None	None	\$135
\$68,000	4.5% on \$3,000	None	None	\$135
\$69,000	4.5% on \$3,000	None	None	\$135
\$70,000	4.5% on \$3,000	None	None	\$135
\$71,000	4.5% on \$3,000	None	None	\$135
\$72,000	4.5% on \$3,000	None	None	\$135
\$73,000	4.5% on \$3,000	None	None	\$135
\$74,000	4.5% on \$3,000	None	None	\$135
\$75,000	4.5% on \$3,000	None	None	\$135
\$76,000	4.5% on \$3,000	None	None	\$135
\$77,000	4.5% on \$3,000	None	None	\$135
\$78,000	4.5% on \$3,000	None	None	\$135
\$79,000	4.5% on \$3,000	None	None	\$135
\$80,000	4.5% on \$3,000	None	None	\$135
\$81,000	4.5% on \$3,000	None	None	\$135
\$82,000	4.5% on \$3,000	None	None	\$135
\$83,000	4.5% on \$3,000	None	None	\$135
\$84,000	4.5% on \$3,000	None	None	\$135
\$85,000	4.5% on \$3,000	None	None	\$135
\$86,000	4.5% on \$3,000	None	None	\$135
\$87,000	4.5% on \$3,000	None	None	\$135
\$88,000	4.5% on \$3,000	None	None	\$135
\$89,000	4.5% on \$3,000	None	None	\$135
\$90,000	4.5% on \$3,000	None	None	\$135
\$91,000	4.5% on \$3,000	None	None	\$135
\$92,000	4.5% on \$3,000	None	None	\$135
\$93,000	4.5% on \$3,000	None	None	\$135
\$94,000	4.5% on \$3,000	None	None	\$135
\$95,000	4.5% on \$3,000	None	None	\$135
\$96,000	4.5% on \$3,000	None	None	\$135
\$97,000	4.5% on \$3,000	None	None	\$135
\$98,000	4.5% on \$3,000	None	None	\$135
\$99,000	4.5% on \$3,000	None	None	\$135
\$100,000	4.5% on \$3,000	None	None	\$135

Income taxes which must be paid by married men enjoying incomes of more than \$2,000 and of single persons with incomes amounting to more than \$1,000 a year will not be the same on the income for the calendar year 1919 as they will be for this year if the tax bill now before the Senate is passed without changing this part of the measure and if the House agrees to the measure in that form.

The first table given below shows the tax married men without dependent children will be called upon to pay on various incomes. The normal tax on the income received during the present year is 4 per cent. on the taxable amount up to \$4,000, and 12 per cent. on the taxable amount above that figure. The table follows:

Normal tax on taxable income below \$4,000		Normal tax on taxable income above \$4,000		Surplus	Total tax
Income.		None		None	
\$3,000	4.5% on \$3,000	None		None	\$135
\$4,000	4.5% on \$3,000	None		None	\$135
\$5,000	4.5% on \$3,000	None		None	\$135
\$6,000	4.5% on \$3,000	None		None	\$135
\$7,000	4.5% on \$3,000	None		None	\$135
\$8,000	4.5% on \$3,000	None		None	\$135
\$9,000	4.5% on \$3,000	None		None	\$135
\$10,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$160
\$11,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$165
\$12,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$170
\$13,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$175
\$14,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$180
\$15,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$185
\$16,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$190
\$17,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$195
\$18,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$200
\$19,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$205
\$20,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$210
\$21,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$215
\$22,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$220
\$23,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$225
\$24,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$230
\$25,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$235
\$26,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$240
\$27,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$245
\$28,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$250
\$29,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$255
\$30,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$260
\$31,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$265
\$32,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$270
\$33,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$275
\$34,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$280
\$35,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$285
\$36,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$290
\$37,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$295
\$38,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$300
\$39,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$305
\$40,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$310
\$41,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$315
\$42,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$320
\$43,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$325
\$44,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$330
\$45,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$335
\$46,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$340
\$47,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$345
\$48,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$350
\$49,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$355
\$50,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$360
\$51,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$365
\$52,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$370
\$53,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$375
\$54,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$380
\$55,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$385
\$56,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$390
\$57,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$395
\$58,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$400
\$59,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$405
\$60,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$410
\$61,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$415
\$62,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$420
\$63,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$425
\$64,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$430
\$65,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$435
\$66,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$440
\$67,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$445
\$68,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$450
\$69,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$455
\$70,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$460
\$71,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$465
\$72,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$470
\$73,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$475
\$74,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$480
\$75,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$485
\$76,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$490
\$77,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$495
\$78,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$500
\$79,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$505
\$80,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$510
\$81,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$515
\$82,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$520
\$83,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$525
\$84,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$530
\$85,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$535
\$86,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$540
\$87,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$545
\$88,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$550
\$89,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$555
\$90,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$560
\$91,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$565
\$92,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$570
\$93,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$575
\$94,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$580
\$95,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$585
\$96,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$590
\$97,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$595
\$98,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$600
\$99,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$605
\$100,000	4.5% on \$3,000	12%	on \$2,000	1 1/2% on \$1,000	\$610